



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Sara L. Hensley  
Larry D. Lisenbee

**SUBJECT:** SEE BELOW

**DATE:** 06-22-04

---

Approved

Date

---

**COUNCIL DISTRICT:** 3

**SNI:** Five Wounds/  
Brookwood Terrace

**SUBJECT: ADOPTION OF 2004-2005 APPROPRIATION ORDINANCE AND FUNDING SOURCES RESOLUTION AMENDMENTS IN THE COUNCIL DISTRICT 3 CONSTRUCTION AND CONVEYANCE TAX FUND IN THE AMOUNT OF \$1,025,000, AND AUTHORIZATION FOR THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH THE SAN JOSE UNIFIED SCHOOL DISTRICT IN AN AMOUNT NOT TO EXCEED \$600,000 FOR THE PURPOSE OF FUNDING DESIGN AND CONSTRUCTING IMPROVEMENTS AND JOINT USE AT SELMA OLINDER SCHOOL AS PART OF THE SELMA OLINDER PARK PROJECT.**

## **RECOMMENDATION**

- A. Adopt the following 2004-2005 Appropriation Ordinance Amendments and Funding Sources Resolution amendments in the Council District 3 Construction and Conveyance Tax Fund:
1. Increase the Earned Revenue estimate by \$600,000.
  2. Establish an appropriation to the Parks, Recreation, and Neighborhood Services Department for the Selma Olinder Park project in the amount of \$1,025,000.
  3. Decrease the Ending Fund Balance by \$425,000.
- B. Authorize the City Manager to negotiate and execute an agreement with the San Jose Unified School District (SJUSD) in an amount not to exceed \$600,000 for the purpose of funding design and constructing improvements and joint use at Selma Olinder School as part of the Selma Olinder Park Project.

**Subject: Adoption of Appropriation Ordinance and Funding Sources Resolution Amendments in the Council District 3 Construction and Conveyance Tax Fund in the Amount of \$1,025,000, and Authorization for the City Manager to Negotiate and Execute A Joint Use Agreement with the San Jose Unified School District in an Amount Not to Exceed \$600,000 for the Purpose of Designing and Constructing Improvements at Selma Olinder School as Part of the Selma Olinder Park Project**

Page 2

## **BACKGROUND**

Selma Olinder Park is a 12-acre park site formerly known as William Street Park East. The park is located on Woodborough Place and bordered by Olinder Elementary School to the north, Highway 280 to the south, residential housing to the east, and Coyote Creek to the west. The park received its name through the formal park naming process adopted by the City Council in October 2000.

### **Open Space Authority Grant**

On June 24, 2003, the City Council authorized the City Manager (Item 5.3) to submit an application for \$600,000, and negotiate and execute the documents to effectuate funding from the 20 Percent Open Space Funding program for development of the Selma Olinder Park that includes a segment of the Coyote Creek Trail. The program is managed by the Santa Clara County Open Space Authority (OSA). The necessary documents have been negotiated with OSA staff and an agreement for the funds has been negotiated.

### **Proposition 13 Grant**

On February 18, 2003, the City Council approved a resolution to receive a \$425,000 grant from the State Resources Agency for the Coyote Creek Trail/Selma Olinder Park under the River Protection and Parkway Grants Projects of the Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Bond Act of 2000 (Proposition 13). The action requested as part of this memorandum would advance funds from the Council District 3 Construction and Conveyance Tax Fund (C&C) Ending Fund Balance to ensure all funding is in place when the project is ready to be awarded, which is expected in July 2004. When the Proposition 13 funds are received in 2004-2005, these funds will be returned to the Council District 3 C&C Fund, therefore replenishing the Ending Fund Balance.

The City will use these funds to augment the development of Selma Olinder Park along Coyote Creek in Council District 3. These grant funds are intended to enhance trails, or trailheads, facilities along rivers, streams, or river parkways, for walking, cycling, and equestrian purposes. Urban public lands adjacent to rivers and streams, like Selma Olinder Park site, can be developed with picnic tables, interpretive kiosks, shade armadas, and restrooms under this grant program.

### **Joint-Use Agreement**

The Selma Olinder Park Master Plan adopted by City Council in October 2001 identifies the need for a joint-use agreement in order to facilitate the development of SJUSD property at Olinder School. The City will pay \$60,000 to the SJUSD for SJUSD to relocate the playground, which is included in the total agreement amount of \$600,000. The remaining \$540,000 will be

**Subject: Adoption of Appropriation Ordinance and Funding Sources Resolution Amendments in the Council District 3 Construction and Conveyance Tax Fund in the Amount of \$1,025,000, and Authorization for the City Manager to Negotiate and Execute A Joint Use Agreement with the San Jose Unified School District in an Amount Not to Exceed \$600,000 for the Purpose of Designing and Constructing Improvements at Selma Olinder School as Part of the Selma Olinder Park Project**

Page 3

used by the City to construct the following improvements on School District property: tennis courts, shade structure, walkways, picnic benches, turf, fencing, trees, irrigation, grading, and drainage.

## **ANALYSIS**

Funding and resources for the project have been derived from a number of sources including, the State, School District, San José Conservation Corps, Community Development Block Grant, Park Trust Fund, Redevelopment Agency, Construction & Conveyance Tax, Transportation Development Act, and local bond funds.

Project plans for Selma Olinder Park include the following elements:

- Multi-use recreational trail
- Decomposed granite pathways
- Concrete walkways
- Softball field
- Two-acre open lawn area
- Transition area and a vegetative buffer adjacent to Interstate 280
- Restroom building
- Picnic tables and benches
- Security lighting
- Trees and shrubs
- Relocation and updated children's play area
- Shade structure
- Tennis courts (dependent on bids and available budget)

The sources of funding have certain conditions on what their funds can be spent on for the Selma Olinder Project. The limit for each funding mechanism is listed below.

### **Open Space Authority Grant**

OSA funds will specifically be used to construct a segment of the Coyote Creek trail, native plantings and irrigation within the riparian setback areas and the vegetative buffer area adjacent to Highway 280.

### **Proposition 13**

The cost to implement the Master Plan (MP) originally envisioned for Selma Olinder Park was estimated at \$4.76 million. Since the Master Plan was approved by City Council in 2001, the School District has already made some of the MP improvements to its property (e.i. new baseball field). In order to complete the Master Plan, the current project costs are \$3.6 million. Funds from the River Protection and Parkway Grants Projects of the Safe Drinking Water, Clean Water,

**Subject: Adoption of Appropriation Ordinance and Funding Sources Resolution Amendments in the Council District 3 Construction and Conveyance Tax Fund in the Amount of \$1,025,000, and Authorization for the City Manager to Negotiate and Execute A Joint Use Agreement with the San Jose Unified School District in an Amount Not to Exceed \$600,000 for the Purpose of Designing and Constructing Improvements at Selma Olinder School as Part of the Selma Olinder Park Project**

Page 4

Watershed Protection and Flood Protection Act of 2000 (Proposition 13) will be used to improve parkway amenities adjacent to Coyote Creek. These funds will augment other funds in the development of Selma Olinder Park. This grant program requires no matching funds.

#### Agreement with SJUSD

The Parks, Recreation and Neighborhood Services Department has been negotiating with the SJUSD over the last nine months to confirm and agree on the terms of the joint-use and design and construction agreement. After several revisions the agreement is now ready for signature. The SJUSD School Board voted and approved the agreement at its May 20, 2004 Board meeting. Both parties agree that the improvements will be an asset to both the school and general community. The school district will have full access to the improvements weekdays after school hours and on weekends. This agreement includes a stipulation that the school district will maintain the improvements for the first three years. After three years, the City will take over the maintenance responsibility, subject to appropriation by City Council. Completion of this agreement is also a prerequisite for the City's receipt of the \$425,000 Proposition 13 State Grant. Funding for the agreement with SJUSD will be provided from the Proposition 13 grant and will be supplemented with the \$600,000 Open Space Authority grant.

Construction of the project is scheduled to commence in September 2004 with completion planned for June 2005. The appropriation actions recommended as part of this memorandum will permit City staff to proceed with the project as scheduled.

#### PUBLIC OUTREACH

Public outreach included several community meetings during the Selma Olinder Park Master Plan process.

#### COORDINATION

This memorandum has been coordinated with the City Attorney's Office, the Department of Public Works, and Planning, Building & Code Enforcement Department.

**Subject: Adoption of Appropriation Ordinance and Funding Sources Resolution Amendments in the Council District 3 Construction and Conveyance Tax Fund in the Amount of \$1,025,000, and Authorization for the City Manager to Negotiate and Execute A Joint Use Agreement with the San Jose Unified School District in an Amount Not to Exceed \$600,000 for the Purpose of Designing and Constructing Improvements at Selma Olinder School as Part of the Selma Olinder Park Project**

Page 5

### **COST IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION: \$1,025,000

2. COST OF PROJECT:

Construction	\$1,910,510
Agreement with SJCC allowance for materials and equipment rental	370,000
Project Delivery	1,179,592 *
Payment to SJUSD for Playground Equipment	60,000
Contingency	<u>95,000</u>
TOTAL	\$3,615,102

\*A total of \$777,281 is estimated to be expended/encumbered from 1998-1999 though 2003-2004 for Project Delivery costs.

3. SOURCE OF FUNDING: 375 – Park Trust Fund  
441 – Community Development Block Grant  
465 – Construction Excise Tax Fund (Transportation Development Act, Article 3 (TDA3) grant funds)  
471 – Parks and Recreation Bond Projects  
380 – Council District 3 Construction and Conveyance Tax Funds

4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. The estimated cost of maintaining this facility will be \$138,000 annually. This project will be added to the list of properties maintained by the City's General Services Department routine maintenance service division starting at the end of 2004-2005. Maintenance on the School District property will be \$55,000 annually beginning in 2007-2008. The provision of any additional funding for this improvement would be considered as part of the 2005-2006 annual budget process.

**Subject: Adoption of Appropriation Ordinance and Funding Sources Resolution Amendments in the Council District 3 Construction and Conveyance Tax Fund in the Amount of \$1,025,000, and Authorization for the City Manager to Negotiate and Execute A Joint Use Agreement with the San Jose Unified School District in an Amount Not to Exceed \$600,000 for the Purpose of Designing and Constructing Improvements at Selma Olinder School as Part of the Selma Olinder Park Project**

Page 6

**BUDGET REFERENCE**

Fund #	Appn #	Appn Name	RC	Total Appn	Amt for Contract*	Proposed Budget Page	Last Budget Action (Date, Ord. No.)
471	4537	William Street Park Restroom	12528B	\$213,000	\$213,000	Page V - 734	June, 22, 2004 (MBA #54)
380	4886	Selma Olinder Park		\$100,000	\$100,000	N/A	June, 22, 2004 (MBA #54)
465	4292	Bicycle and Pedestrian Facilities	118003	\$750,000**	\$136,821	Page V - 833	
		<b>Total</b>		<b>\$1,063,000</b>	<b>\$449,821</b>		

\*In addition to the funding sources displayed here, this project is receiving additional funding of \$2,488,000 from the San José Redevelopment Agency (\$1,000,000), the State of California (\$425,000), the Open Space Authority (\$600,000) and the Santa Clara Valley Water District (\$250,000) and the Community Development Block Grant (\$213,000). The San José Redevelopment Agency appropriated funds for this project during the June 15<sup>th</sup> City Council meeting, of which \$100,000 is estimated to be expended in 2003-2004, and the remaining \$900,000 will be rebudgeted to 2004-2005 on a separate June 29<sup>th</sup> Council memorandum. The Parks, Recreation and Neighborhood Services Department has two memorandums to award funding for this park, both of which will also be reviewed during the June 29<sup>th</sup> City Council meeting. The first memorandum will appropriate funding from the Santa Clara Valley Water District, and the second memorandum includes an appropriation action to rebudget savings of \$213,000 in the Community Development Block Grant Fund from 2003-2004. Additionally, an appropriation action is recommended as part of this memorandum to appropriate funding from the Open Space Authority and the Council District 3 Construction and Conveyance Tax Fund. The Parks, Recreation and Neighborhood Services Department has allocated \$425,000 of Proposition 13 funds for this park. However, since these funds are received on a reimbursement basis, the Council District 3 Construction and Conveyance Tax Fund will advance this funding, until the project is complete and the State reimburses the funds.

\*\*This appropriation is funded in large part by TDA3 grant funds and is allocated to support multiple projects. The total amount allocated for the Selma Olinder Park Project is \$170,000, of which \$33,179 was expended/encumbered in 2003-2004, leaving a remaining balance in 2004-2005 of \$136,821.

HONORABLE MAYOR AND CITY COUNCIL

06-22-04

**Subject: Adoption of Appropriation Ordinance and Funding Sources Resolution Amendments in the Council District 3 Construction and Conveyance Tax Fund in the Amount of \$1,025,000, and Authorization for the City Manager to Negotiate and Execute A Joint Use Agreement with the San Jose Unified School District in an Amount Not to Exceed \$600,000 for the Purpose of Designing and Constructing Improvements at Selma Olinder School as Part of the Selma Olinder Park Project**

Page 7

**CEQA**

Mitigated Negative Declaration, PP00-10-147.

SARA L. HENSLEY  
Director, Parks, Recreation and Neighborhood Services

LARRY D. LISENBEE  
Director, Budget Office

I hereby certify that there will be available for appropriation in the Council District 3 Construction and Conveyance Tax Fund in the Fiscal Year 2004-2005 monies in excess of those heretofore appropriated, therefrom said excess being at least \$600,000.

LARRY D. LISENBEE  
Director, Budget Office